



Sen. William R. Haine

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1 AMENDMENT TO SENATE BILL 1710

2 AMENDMENT NO. _____. Amend Senate Bill 1710 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Property Tax Code is amended by changing
5 Sections 21-205, 21-215, 21-310, and 21-315 as follows:

6 (35 ILCS 200/21-205)

7 Sec. 21-205. Tax sale procedures. The collector, in person
8 or by deputy, shall attend, on the day and in the place
9 specified in the notice for the sale of property for taxes, and
10 shall, between 9:00 a.m. and 4:00 p.m., or later at the
11 collector's discretion, proceed to offer for sale, separately
12 and in consecutive order, all property in the list on which the
13 taxes, special assessments, interest or costs have not been
14 paid. However, in any county with 3,000,000 or more
15 inhabitants, the offer for sale shall be made between 8:00 a.m.
16 and 8:00 p.m. The collector's office shall be kept open during

1 all hours in which the sale is in progress. The sale shall be
2 continued from day to day, until all property in the delinquent
3 list has been offered for sale. However, any city, village or
4 incorporated town interested in the collection of any tax or
5 special assessment, may, in default of bidders, withdraw from
6 collection the special assessment levied against any property
7 by the corporate authorities of the city, village or
8 incorporated town. In case of a withdrawal, there shall be no
9 sale of that property on account of the delinquent special
10 assessment thereon.

11 In every sale of property pursuant to the provisions of
12 this Code, the collector may employ any automated means that
13 the collector deems appropriate, provided that bidders are
14 required to personally attend the sale and, in counties with
15 less than 3,000,000 inhabitants, the automated means must be
16 certified by the Department. On and after the effective date of
17 this amendatory Act of the 97th General Assembly, all tax sales
18 in counties with less than 3,000,000 inhabitants shall be
19 videotaped with audio. The changes made by this amendatory Act
20 of the 94th General Assembly are declarative of existing law.

21 (Source: P.A. 94-922, eff. 1-1-07.)

22 (35 ILCS 200/21-215)

23 Sec. 21-215. Penalty bids. The person at the sale offering
24 to pay the amount due on each property for the least penalty
25 percentage shall be the purchaser of that property. No bid

1 shall be accepted for a penalty exceeding 18% of the amount of
2 the tax or special assessment on property. The collector may,
3 at his or her discretion, declare the taxes forfeited if
4 multiple simultaneous bids of the same percentage are made and
5 subsequent lower bids are not made. However, if there are
6 multiple bids for 0%, then the collector shall randomly select
7 one of the bidders to be the purchaser of the property. During
8 the sale, in counties with less than 3,000,000 inhabitants,
9 each bidder's percentage shall be disclosed to the other
10 bidders. In counties with less than 3,000,000 inhabitants,
11 bidders shall have the opportunity to reduce their bids during
12 the sale after other bids have been disclosed. At the
13 conclusion of the sale, a record of the winning bid and the
14 name of the tax purchaser shall be open to public inspection.

15 (Source: P.A. 86-1431; 86-1480; 88-455.)

16 (35 ILCS 200/21-310)

17 Sec. 21-310. Sales in error.

18 (a) When, upon application of the county collector, the
19 owner of the certificate of purchase, or a municipality which
20 owns or has owned the property ordered sold, it appears to the
21 satisfaction of the court which ordered the property sold that
22 any of the following subsections are applicable, the court
23 shall declare the sale to be a sale in error:

24 (1) the property was not subject to taxation, or all or
25 any part of the lien of taxes sold has become null and void

1 pursuant to Section 21-95 or unenforceable pursuant to
2 subsection (c) of Section 18-250 or subsection (b) of
3 Section 22-40,

4 (2) the taxes or special assessments had been paid
5 prior to the sale of the property,

6 (3) there is a double assessment,

7 (4) the description is void for uncertainty,

8 (5) the assessor, chief county assessment officer,
9 board of review, board of appeals, or other county official
10 has made an error (other than an error of judgment as to
11 the value of any property),

12 (5.5) the owner of the homestead property had tendered
13 timely and full payment to the county collector that the
14 owner reasonably believed was due and owing on the
15 homestead property, and the county collector did not apply
16 the payment to the homestead property; provided that this
17 provision applies only to homeowners, not their agents or
18 third-party payors,

19 (6) prior to the tax sale a voluntary or involuntary
20 petition has been filed by or against the legal or
21 beneficial owner of the property requesting relief under
22 the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13,

23 (7) the property is owned by the United States, the
24 State of Illinois, a municipality, or a taxing district, or

25 (8) the owner of the property is a reservist or
26 guardsperson who is granted an extension of his or her due

1 date under Sections 21-15, 21-20, and 21-25 of this Act.

2 (b) When, upon application of the owner of the certificate
3 of purchase only, it appears to the satisfaction of the court
4 which ordered the property sold that any of the following
5 subsections are applicable, the court shall declare the sale to
6 be a sale in error:

7 (1) A voluntary or involuntary petition under the
8 provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been
9 filed subsequent to the tax sale and prior to the issuance
10 of the tax deed.

11 (2) The improvements upon the property sold have been
12 substantially destroyed or rendered uninhabitable or
13 otherwise unfit for occupancy subsequent to the tax sale
14 and prior to the issuance of the tax deed.

15 (3) There is an interest held by the United States in
16 the property sold which could not be extinguished by the
17 tax deed.

18 (4) The real property contains a hazardous substance,
19 hazardous waste, or underground storage tank that would
20 require cleanup or other removal under any federal, State,
21 or local law, ordinance, or regulation, only if the tax
22 purchaser purchased the property without actual knowledge
23 of the hazardous substance, hazardous waste, or
24 underground storage tank. This paragraph (4) applies only
25 if the owner of the certificate of purchase has made
26 application for a sale in error at any time before the

1 issuance of a tax deed.

2 (b-5) When, upon application of the owner of the property,
3 it appears to the satisfaction of the court that ordered the
4 property sold that any of the following conditions apply, the
5 court shall declare the sale to be a sale in error:

6 (1) the sale was not videotaped as required by Section
7 21-205; or

8 (2) the sale was not held in the manner required by
9 Section 21-215.

10 Before the court may declare the sale to be a sale in error
11 under this subsection (b-5), the property owner must redeem the
12 property as provided in Section 21-355. Upon declaring the sale
13 to be a sale in error, the court shall determine whether the
14 property owner is required pay a penalty. If the court
15 determines that the property owner is required to pay a
16 penalty, then the court shall declare what the property owner
17 owes as the equitable accrued penalty.

18 (c) When the county collector discovers, prior to the
19 expiration of the period of redemption, that a tax sale should
20 not have occurred for one or more of the reasons set forth in
21 subdivision (a)(1), (a)(2), (a)(6), or (a)(7) of this Section,
22 the county collector shall notify the last known owner of the
23 certificate of purchase by certified and regular mail, or other
24 means reasonably calculated to provide actual notice, that the
25 county collector intends to declare an administrative sale in
26 error and of the reasons therefor, including documentation

1 sufficient to establish the reason why the sale should not have
2 occurred. The owner of the certificate of purchase may object
3 in writing within 28 days after the date of the mailing by the
4 county collector. If an objection is filed, the county
5 collector shall not administratively declare a sale in error,
6 but may apply to the circuit court for a sale in error as
7 provided in subsection (a) of this Section. Thirty days
8 following the receipt of notice by the last known owner of the
9 certificate of purchase, or within a reasonable time
10 thereafter, the county collector shall make a written
11 declaration, based upon clear and convincing evidence, that the
12 taxes were sold in error and shall deliver a copy thereof to
13 the county clerk within 30 days after the date the declaration
14 is made for entry in the tax judgment, sale, redemption, and
15 forfeiture record pursuant to subsection (d) of this Section.
16 The county collector shall promptly notify the last known owner
17 of the certificate of purchase of the declaration by regular
18 mail and shall promptly pay the amount of the tax sale,
19 together with interest and costs as provided in Section 21-315,
20 upon surrender of the original certificate of purchase.

21 (d) If a sale is declared to be a sale in error, the county
22 clerk shall make entry in the tax judgment, sale, redemption
23 and forfeiture record, that the property was erroneously sold,
24 and the county collector shall, on demand of the owner of the
25 certificate of purchase, refund the amount paid, pay any
26 interest and costs as may be ordered under Sections 21-315

1 through 21-335, and cancel the certificate so far as it relates
2 to the property. The county collector shall deduct from the
3 accounts of the appropriate taxing bodies their pro rata
4 amounts paid.

5 (Source: P.A. 94-312, eff. 7-25-05; 94-662, eff. 1-1-06;
6 95-331, eff. 8-21-07.)

7 (35 ILCS 200/21-315)

8 Sec. 21-315. Refund of costs; interest on refund.

9 (a) If a sale in error under Section 21-310, 22-35, or
10 22-50 is declared, the amount refunded shall also include all
11 costs paid by the owner of the certificate of purchase or his
12 or her assignor which were posted to the tax judgment, sale,
13 redemption and forfeiture record.

14 (b) In those cases which arise solely under grounds set
15 forth in Section 21-310, the amount refunded shall also include
16 interest on the refund of the amount paid for the certificate
17 of purchase, except as otherwise provided in this Section.
18 Interest shall be awarded and paid to the tax purchaser at the
19 rate of 1% per month from the date of sale to the date of
20 payment, or in an amount equivalent to the penalty interest
21 which would be recovered on a redemption at the time of payment
22 pursuant to the order for sale in error, whichever is less.
23 Interest shall not be paid when the sale in error is made
24 pursuant to paragraph (2) or (4) of subsection (b) of Section
25 21-310, paragraph (1) or (2) of subsection (b-5) of Section

1 21-310, Section 22-35, Section 22-50, any ground not enumerated
2 in Section 21-310, or in any other case where the court
3 determines that the tax purchaser had actual knowledge prior to
4 the sale of the grounds on which the sale is declared to be
5 erroneous.

6 (c) When the county collector files a petition for sale in
7 error under Section 21-310 and mails a notice thereof by
8 certified or registered mail to the last known owner of the
9 certificate of purchase, any interest otherwise payable under
10 this Section shall cease to accrue as of the date the petition
11 is filed, unless the tax purchaser agrees to an order for sale
12 in error upon the presentation of the petition to the court.
13 Notices under this subsection may be mailed to the last known
14 owner of the certificate of purchase. When the owner of the
15 certificate of purchase contests the collector's petition
16 solely to determine whether the grounds for sale in error are
17 such as to support a claim for interest, the court may direct
18 that the principal amount of the refund be paid to the owner of
19 the certificate of purchase forthwith. If the court thereafter
20 determines that a claim for interest lies under this Section,
21 it shall award such interest from the date of sale to the date
22 the principal amount was paid. If the owner of the certificate
23 of purchase files an objection to the county collector's
24 intention to declare an administrative sale in error, as
25 provided under subsection (c) of Section 21-310, and,
26 thereafter, the county collector elects to apply to the circuit

1 court for a sale in error under subsection (a) of Section
2 21-310, then, if the circuit court grants the county
3 collector's application for a sale in error, the court may not
4 award interest to the owner of the certificate of purchase for
5 the period after the mailing date of the county collector's
6 notice of intention to declare an administrative sale in error.
7 (Source: P.A. 94-662, eff. 1-1-06.)".